

Mineral Industry Surveys

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MARKETABLE PHOSPHATE ROCK IN OCTOBER 1999

U.S. marketable phosphate rock production in October 1999 increased 13% compared to the prior month, according to the U.S. Geological Survey (USGS). Annualized year-to-date production was 41.5 million metric tons, which was 6% lower than the total production in 1998.

Domestic phosphate rock sold or used, excluding exports for October, increased 2% from the prior month, to 3.3 million tons. Annualized year-to-date sales or use was 41.9 million tons, which was 4% lower than the total for 1998.

U.S. producer ending stocks for October were 3% higher than the figure shown in September.

Some phosphate rock import data for Morocco are suppressed by the Bureau of the Census. U.S. import tonnage was estimated by USGS to average 75,000 tons per month in 1999. October import data were not available at the time of publication.

Annualized domestic consumption for 1999 was calculated to be 43.7 million tons using annualized sold and used data and estimated trade data. Apparent domestic consumption for 1998, calculated from the sum of home deliveries and adjusted import data, was 45.0 million tons.

IMC-Agrico Phosphates received approval from the Manatee County, FL, county commission to mine an additional 70 hectares, at its Four Corners Mine. The company will be required to go through a public hearing to amend its mining permit. The County Commissioners made their approval contingent upon IMC-Agrico Phosphates taking into consideration any possible negative effects on the water and taking corrective action. The area contains an estimated 770,000 tons of ore. The company hopes to begin mining in the first quarter of 2000 (Green Markets, 1999a).

IMC Global Inc. signed a letter of intent to supply phosphate rock to U.S. Agri-Chemicals Corp., a wholly owned subsidiary of China National Chemicals Import and Export Corporation. The new agreement would replace the current contract when it expires on September 30, 2004 and extend until September 30, 2024. A final contract was expected to be signed by the end of December.

U.S. Agri-Chemicals operates two concentrated phosphate plants in Polk County, FL (IMC Global Inc., 1999).

In response to the current market conditions, Cargill Fertilizer announced that it would reduce the operating rate at its two Florida phosphate plants over the next three months. Production of dry phosphates will be reduced by a total of 150,000 tons. In addition, the firm will close its two phosphate rock mines for the last two weeks of the year (Green Markets, 1999b).

FMC Corporation announced on October 25, that it would construct an industrial-grade purified phosphoric acid (PPA) plant at the NuWest Industries Inc. Conda phosphate complex near Soda Springs, ID. Under terms of the agreement, NuWest, which is a subsidiary of Agrium Inc., will lease and operate the unit and FMC will purchase the PPA under a long-term supply contract. The FMC Dry Valley, ID, mine will provide phosphate rock for the project in addition to continuing to supply the company's elemental phosphorus plant near Pocatello. FMC also expects the plant to supply Astaris, LLC, a recently announced joint venture project between FMC and Solutia, Inc. The Astaris project, which will have plants in the United States and Brazil, is in the process of obtaining approval from the U.S. and Brazilian Governments. The new PPA plant was expected to be completed in mid-2001, with an annual production capacity of 73,000 tons (FMC Corporation, 1999).

References Cited

- FMC Corporation, 1999, FMC to build purified phosphoric acid plant: Chicago, FMC Corporation press release, October 25, 1 p.
- Green Markets, 1999a, IMC-Agrico wins in Manatee County: Green Markets, v. 23, no. 41, October 11, p. 8-9.
- , 1999b, Phosphates, Central Florida: Green Markets, v. 23, no. 42, October 18 p. 6.
- IMC Global, 1999, IMC Global and China's U.S. Agri-Chemicals Corp. sign letter of intent for new 20-year sales accord for phosphate rock: Northbrook, IL, IMC Global Inc. press release October 1, 1 p.

TABLE 1
U.S. PHOSPHATE ROCK STATISTICS, BY REGION 1/

(Thousand metric tons)

| Region and period | Marketable production | Sold and/or used | Ending stocks 2/ |
|-----------------------------|--------------------------|---------------------|---------------------|
| United States: | | | |
| 1998: | | | |
| October | 3,800 | 3,870 | 7,850 |
| November | 3,680 | 3,510 | 8,050 |
| December | 3,480 | 3,530 | 7,920 |
| January - December | 44,200 r/ | 43,700 r/ | XX |
| 1999: | | | |
| January | 3,410 | 3,400 | 7,730 |
| February | 3,070 | 3,190 | 7,600 |
| March | 3,500 | 3,710 | 7,340 |
| April | 3,280 | 3,640 | 6,880 |
| May | 3,680 | 3,940 | 6,620 |
| June | 3,690 | 3,400 | 6,910 |
| July | 3,540 | 3,610 | 6,750 |
| August | 3,690 | 3,530 | 6,920 |
| September | 3,140 r/ | 3,220 | 6,820 |
| October | 3,560 | 3,290 | 7,040 |
| Total | 34,600 | 34,900 | XX |
| Florida and North Carolina: | | | |
| 1998: | | | |
| October | 3,370 | 3,320 | 6,380 |
| November | 3,360 | 3,130 | 6,660 |
| December | 3,110 | 3,130 | 6,540 |
| January - December | 38,700 r/ | 38,000 r/ | XX |
| 1999: | | | |
| January | 2,970 | 2,990 | 6,420 |
| February | 2,760 | 2,840 | 6,330 |
| March | 3,120 | 3,290 | 6,100 |
| April | 2,780 | 3,150 | 5,620 |
| May | 3,100 | 3,340 | 5,380 |
| June | 3,030 | 2,940 | 5,430 |
| July | 2,980 | 3,010 | 5,300 |
| August | 3,080 | 3,070 | 5,320 |
| September | 2,690 | 2,700 | 5,300 |
| October | 2,840 | 2,880 | 5,200 |
| Total | 29,300 | 30,200 | XX |
| Idaho and Utah: | | | |
| 1998: | | | |
| October | 434 | 555 | 1,460 |
| November | 312 | 384 | 1,390 |
| December | 368 | 403 | 1,380 |
| January - December | 5,490 | 5,640 r/ | XX |
| 1999: | | | |
| January | 436 | 413 | 1,310 |
| February | 314 | 352 | 1,280 |
| March | 375 | 412 | 1,240 |
| April | 499 | 483 | 1,260 |
| May | 582 | 604 | 1,240 |
| June | 662 | 461 | 1,480 |
| July | 563 | 602 | 1,440 |
| August | 614 | 459 | 1,600 |
| September | 445 r/ | 520 | 1,530 |
| October | 726 | 407 | 1,850 |
| Total | 5,220 | 4,710 | XX |

r/ Revised. XX Not applicable.

1/ Data are rounded to three significant digits; may not add to totals shown.

2/ Includes inventory adjustments.

TABLE 2
U.S. IMPORTS OF PHOSPHATE ROCK 1/ 2/ 3/

(Thousand metric tons and thousand dollars)

| Period | Quantity | Value |
|--------------------|----------|--------|
| 1998: | | |
| September | 62 | 3,440 |
| October | 78 | 5,530 |
| November | -- | -- |
| December | 62 | 3,800 |
| January - December | 806 | 42,400 |
| Total year 4/ | 1,760 | 92,700 |
| 1999: | | |
| January | 60 | 3,280 |
| February | 63 | 3,420 |
| March | 68 | 3,670 |
| April | 66 | 4,000 |
| May | 69 | 4,110 |
| June | 64 | 3,820 |
| July | 1 | 69 |
| August | 88 | 5,001 |
| September | 132 | 6,728 |
| Total | 611 | 34,100 |

1/ C.i.f. (cost, insurance, and freight) values at U.S. ports.

2/ Data are rounded to three significant digits; may not add to totals shown.

3/ Data for the current month were not available at time of publication.

4/ Includes estimate for data suppressed by Bureau of the Census.

Source: Bureau of the Census; data on the majority of phosphate rock imports from Morocco were suppressed by Census.

TABLE 3
COMPARATIVE U.S. PHOSPHATE ROCK STATISTICS

(Million metric tons, unless otherwise specified)

| | 1997 | 1998 | 1999 1/ |
|----------------------------|---------|---------|---------|
| Marketable production: | | | |
| Florida and North Carolina | 39.8 | 38.7 | 35.2 |
| Idaho and Utah | 6.1 | 5.5 | 6.3 |
| Total 2/ | 45.9 | 44.2 | 41.5 |
| Sold or used by producers: | | | |
| Florida and North Carolina | 36.6 | 38.0 | 36.3 |
| Idaho and Utah | 5.5 | 5.6 | 5.7 |
| Total 2/ | 42.1 | 43.7 | 41.9 |
| Yearend stocks | 7.9 | 7.9 | 7.0 |
| Exports 3/ | 0.3 | 0.4 | 0.3 |
| Average value per ton | \$34.80 | \$42.70 | \$48.94 |
| Imports for consumption e/ | 1.8 | 1.8 | 2.1 |
| Average value per ton | \$50.19 | \$52.66 | NA |
| Apparent consumption e/ 4/ | 43.6 | 45.0 | 43.7 |

e/ Estimated. NA Not available.

1/ Annualized data.

2/ Data may not add to totals shown because of independent rounding.

3/ Source: Bureau of the Census.

4/ Calculated as domestic sold or used plus imports minus exports.